

Nutrition, Transportation, and Support Service Program Department of Administration – Program 2

I. PROGRAM OBJECTIVES

The Alaska Legislature created the Alaska Commission on Aging (ACoA) in 1981 to ensure dignity and independence for Alaska's elderly and assist them in maintaining meaningful, quality lives. As part of the Division of Senior Services, the ACoA plans, coordinates, and grants funds to provide community-based services to help seniors live as independently as possible. Services include meals, rides, residential care, adult day programs, respite care, care coordination, support to families of dementia clients, legal services, and a variety of other support services. The Division of Senior Services is the State Unit on Aging for the Older Americans Act. Alaska is a single planning and service area state.

A. Accounts Structure.

ACoA administration is in the Division's Protection, Community Services, and Administration budget component. The ACoA oversees four grant programs in four additional budget components:

- The Home and Community-Based Care (HCB) budget component includes grant funds supporting adult day services respite care, care coordination, and Alzheimer's Disease education and family support. Funding sources include state general funds authorized under AS 47.65 and state general funds allocated from the Alaska Mental Health Trust Authority.
- The Senior Residential Services (SRS) budget component includes grant funds supporting senior residential services. Funding sources include designated state general funds authorized under AS 47.65.
- The Nutrition, Transportation and Support Services (NTS) budget component includes grant funds supporting senior nutrition, transportation, and supportive services. Funding sources include federal Title III B, C, D, and F of the Older Americans Act, U.S. Department of Agriculture cash reimbursement, required state general fund match, and state general funds authorized under AS 47.65.
- The Senior Community Service Employment Program (SCSEP) budget component includes grant funds supporting the senior

employment programs. Funding sources include federal Title V, required state general fund match, and state general funds authorized under AS 47.65.

B. Program Organization

The ACoA grants separate awards for HCB, SRS, NTS, and SCSEP services. HCB grant awards for adult day services, respite care services, care coordination, and support for families of dementia clients require grantees to implement sliding fee schedules and when possible, bill third party insurance and other third party payer sources. SRS grant awards for senior residential services allow grantees to charge fees for services. In contrast, federal regulations govern NTS grants for meals, rides, and a variety of support services through Title III of the Older Americans Act, and prohibit the assessment of client fees, though allow for the solicitation of voluntary client contributions. The SCSEP is separate because it is a jobs program, rather than a service program such as NTS, HCB, and SRS--although SCSEP participants often fill staff positions in the services programs. Separate HCB and SRS grant awards also assure that Alaska Mental Health Trust Authority (MHTA) funds are allocated and tracked. In addition, HCB and SRS services are ACoA's more intensive, higher cost-per-client services.

II. PROGRAM PROCEDURES

See Section III, below.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

The Nutrition, Transportation and Support Services grants are funded with a blend of Older Americans Act Titles III B, C, D, and F, USDA funds, and state general funds. Title III D and F funds are included in only a few grants. The blend may change during the course of the funding period. Grantees are advised of their final breakdown of federal funds by funding source after the State closeout, usually in the fall. Because the final blend of federal and state funds cannot be determined until after the end of the funding period, ACoA requires grantees to follow federal cost principles for all their NTS funds.

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

For FY00/FY01 grant cycle, the service classifications for the Nutrition, Transportation, and Support Services program are as follows:

1. Congregate Meals
2. Home-Delivered Meals
3. Transportation;
4. Assisted Rides

5. Unassisted Rides
6. Support Services
7. Outreach
8. Information and Assistance
9. Statewide Legal Services
10. Statewide Media
11. Volunteer Services (Foster Grandparents & RSVP only)
12. In-Home Services
13. Homemaker (includes shopping and escort that does not involve transportation)
14. Chore
15. Volunteer Services (Senior Companion only)
16. Preventive Health Services (per Work Plan)

Nearly all grantees are required to provide Outreach to locate individual, hard-to-reach prospective clients. For each grantee required to provide Outreach, Outreach is listed as a funded service on the final Notice of Grant Award and the grantee must commit resources to it in the grant budget and reporting. This required NTS Outreach may be done without the use of NTS grant dollars, in which case other resources must be designated, for this function in the NTS budget and reporting. A grantee may be relieved from providing Outreach for a given grant period via a letter from ACoA.

ACoA periodically awards Title III funds as “mini-grants” to existing ACoA grantees and their organizations that meet eligibility requirements (non-profit, local government, or tribal entities). Mini-grant awards are for one-time projects that support NTS programs or services. Typically, mini-grants fund activities such as: life, health or safety improvements of program facilities, needed equipment, disaster planning, transportation services, expansion of services, or training, planning and assessments.

Training funds may be awarded as separate grants or as part of the regular NTS grants. (identified on the Notice of Grant Award). The purpose of training is to improve services to senior citizens by expanding staff and volunteer knowledge about aging issues, programming and management.

Grant funds must be expended for services specifically identified in the grant application, or in an approved modification. In the case of modification or special stipulations on grant awards, the Notice of Grant Award will state the “special conditions.”

Approved services are specified on the Notice of Grant Award. Expenditures for each specific service must be charged to both the appropriate line item and allotment. All funds must be accounted for separately and by allotment. Grantees are allowed some flexibility in line item expenditures.

Beginning with FY 93:

- Grants are awarded based on approved “bottom-line” budgets. Grantees no longer have line item accountability within their budgets.
- ACoA will adjust allotments at the end of the year, as long as allotment over expenditures are offset by under-expenditures in another allotment. ACoA will make the final changes based on the grantee's final Cumulative Fiscal Report and issue a revised Notice of Grant Award which shows the final approved budget.
- Grantees must submit a “Concept Approval Request” form if they propose:
 - 1) to increase or decrease by 5% or more the planned service levels shown on the grant’s Planned Services form.
 - 2) major changes are requested to the approved grant, such as, adding or removing service(s), opening or closing a site; adding, decreasing or changing days of service; changing hours of service; serving more or fewer months of the year; purchase of equipment; etc.

Suggested Audit Procedures

- Review specific Request for Proposals under which the grant is funded, especially for service definitions.
- Review the grant application, Special Conditions of Award on the Notice of Grant Award, and any approved Concept Approval Requests to determine the approved service activities. Occasionally, letters or memoranda in the file may document approved changes in grant activities. Final approved services are on the final Notice of Grant Award.
- Determine whether accounting records provide for identification, classification and recording of expenditures and revenues for each allotment on the final Notice of Grant Award and for each separate service or group of services funded by that allotment.
- Verify that expenditures were in accordance with the applicable RFP, the grant terms and conditions, and any written directives from ACoA,

applicable federal rules and cost principles for the period in question, and generally accepted accounting principles.

Suggested Audit Procedures for Separate Training and/or Planning Grants

- Review training and/or planning RFP (if applicable), grant application or letter of request, and final Notice of Grant Award for Special Conditions of Award. Letters or memos in the file may document reasons for approved changes to grant activities.
- Look for completion of approved training and/or planning by the end of the grant period and submission of a final reimbursement report.
- Evaluate the accuracy of the reimbursement report (or Cumulative Fiscal Report for planning) by tracing and linking data to supporting documentation.

B. ELIGIBILITY

Compliance Requirements

All persons 60 years of age or over are eligible for Nutrition, Transportation, and Support Services. There are no income or residency requirements. In addition, spouses of persons 60 years of age or older or disabled persons who live with 60+ persons and accompany them to the meals are eligible to receive congregate meals, including transportation to and from them. Also, meal time volunteers and disabled persons under 60 who reside in housing facilities occupied primarily by the elderly at which congregate meal services are provided are eligible for 60+ meal service. Home-delivered meals are available only to persons who are either temporarily or permanently homebound by reason of illness or incapacitating disability or are otherwise isolated. The spouse or caregiver of a 60+ homebound individual is also eligible for a home-delivered meal if it is in the best interest of the 60+ homebound individual that a meal be provided to the other party. Beginning in FY 97, home-delivered meals providers are required to have written criteria for home-delivered meal eligibility and document the eligibility of each person who receives home-delivered meals. Any ineligible person must pay the full cost of any NTS service received.

Suggested Audit Procedures

- Test participant eligibility.
- Review criteria for determining who receives home-delivered meals and test participant eligibility.
- Review procedures for the advertisement, collection, and recording of payments from ineligible persons (guests).

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirements

Local match must be comprised of cash or in-kind items necessary to provide the services of the grant. In-kind match items must be items for which ACoA grant dollars could be used if they were available. Program Income cannot be used to meet match. (For a complete discussion of local match, refer to the Cost Proposal instructions in the applicable NTS RFP and to the NTS Cumulative Fiscal Report Instructions for the applicable year.) The required local match percentage varies for each community or group of communities from year to year. The amount of local match required is specified on the final Notice of Grant Award.

Separate NTS training and/or planning grants require match only if indicated on the Notice of Grant Award.

Suggested Audit Procedures

- Review discussion of local match in the grant application Cost Proposal Instructions and final Notice of Grant Award, to identify the approved amount and sources of local match.
- Review the agency's accounting records to determine whether local match has been contributed to the project according to the terms and conditions of the grant and as reported to ACoA.

D. REPORTING REQUIREMENTS

Compliance Requirements

Quarterly Program Activity Reports and quarterly Cumulative Fiscal Reports are due in the Alaska Commission on Aging Juneau office by the 15th of the month following the end of the quarter. Provisions for late reports are discussed in the instructions for the reports. Reports must show all of the required information for each service provided or client group served under the grant.

For separate “mini” or training grants: The requirement for program reports for one-time or training grants will be stated in the Request for Proposal, and the Notice of Grant Award. Some training grants are not required to submit reports unless specified on the Notice of Grant Award. Expenditures of “mini” or training grant funds are reported separately from other ACoA awards and grant activities. Programs that are recipients of “mini” or training grants submit reimbursement requests to ACoA after completion of the training.

Suggested Audit Procedures

- Review the Nutrition, Transportation, and Support Services Quarterly Program Report Instructions and Cumulative Fiscal Report Instructions for the grant year being audited.
- Evaluate the timeliness of report submission, per report instructions.
- Evaluate the accuracy of the reports by tracing and linking data on the reports to supporting documentation.

Suggested Audit Procedures for Training

- Evaluate timeliness of training.
- Evaluate the accuracy of the training reimbursement report by tracing and linking data on the reimbursement form to supporting documentation.

Compliance Requirements

Monthly Meal Count Reports which accurately reflect the number of congregate and home-delivered meals served to eligible clients are required for each grant which provides congregate or home-delivered meals. These are due in the ACoA Juneau office on the 15th of the month (the next business day when the 15th falls on a weekend or State holiday) following the month which is the subject of the report.

Suggested Audit Procedures

- Evaluate the timeliness of report submission.
- Evaluate the accuracy of the report by tracing and linking the data on the reports to supporting documentation.

E. SPECIAL TESTS AND PROVISIONS

General “Program Income” Compliance Requirement

All Program Income (whether it is Program Income from Clients or Program Income Not From Clients) must be spent first before ACoA grant funds. Program Income must also be spent in the quarter in which it is collected, and spent on the service(s) that generated the income. (Unless ACoA has specifically approved other arrangements.)

Suggested Audit Procedures

- Review the pages of the Cost Proposal Instructions in the applicable Nutrition, Transportation, and Support Services RFP, which explain what constitutes each type of Program Income.
- Review records to ascertain that Program Income is being used right away after it is collected and is not being held by the grantee for later use unless the grantee has specific written permission from ACoA to hold it.

“Program Income From Clients” Compliance Requirements

By federal regulation, clients of ACoA's Nutrition, Transportation, and Support Services program must be given the opportunity to make confidential, free-will contributions to support at least meal and transportation services they receive through the program. Each service provider must encourage, safeguard, and account for this “Program Income from Clients.” Each contribution must be used to support the specific service for which it is collected.

Suggested Audit Procedures

- Review the following for a complete understanding of Program Income From Clients requirements:
- NTS Cumulative Fiscal Report Instructions for the year being audited, Client Contributions section
- The Cost Proposal Instructions in the RFP under which the grant is funded, Program Income from Clients section.
- Evaluate the solicitation, collection, and handling, accounting for, and use of client contributions for compliance with RFP and grant application requirements. Make sure contributions are solicited and are tracked separately for meals and transportation.

Medicaid Waiver Receipts Compliance Requirements

Medicaid Waiver receipts used to support the grant should be classified as “Other Sources.”

Suggested Audit Procedure

- Check to see if Medicaid Waiver receipts are properly classified.

“USDA” Compliance Requirements

USDA refers to United States Department of Agriculture cash payments. USDA reimbursement is available to all ACoA meal projects.

USDA cash must be used to buy food, either as food supplies or through food service contracts. It cannot be used to support any other costs.

USDA is a reimbursement program. Reimbursements are based on the actual number of meals served to eligible individuals and the rate may be different from one Federal Fiscal Year to the next.

ACoA NTS grantees that supply meals to Adult Day Care Programs may also be enrolled in a separate Department of Education & Early Development USDA program. Enrolled programs count ADC meals under ACoA NTS monthly reporting requirements, as a meal prepared with ACoA

funds, but not for ACOA USDA reimbursement. Enrolled adult day care programs receive higher USDA reimbursement through the Department of Education & Early Development Day Care program.

Suggested Audit Procedures

- Review grants records to ascertain whether USDA cash payments were spent on food or food service contracts for NTS project meals.
- Review grant records to verify that the number of meals served is accurately represented on the Monthly Meal Count Reports. If meals to eligible individuals were over reported, indicate the difference between the correct number and the number reported. (If meals to eligible individuals were underreported, the grantee will not receive any additional USDA reimbursement.) Identify the amount of any USDA overpayment.
- Review records for ADC meals to make sure they do not receive both ACoA and DEED USDA reimbursement.
- Verify the USDA amount is accrued on each Cumulative Fiscal Report, even if the agency is on a cash accounting system. (All final Cumulative Fiscal Reports must show all costs and revenues on an accrual basis.)

“Fundraising” and Other Non-grant Activities

Compliance Requirements

Fundraising is an unallowable cost under applicable federal cost principles. ACoA does not consider grant writing to be a fundraising activity.

As government grant resources have been reduced in recent years, grantees have needed to come up with increased non-government resources to meet their costs. Fundraising has become a major activity of most Nutrition, Transportation, and Support Services grantees.

Although fundraising is a grantee board function, occasionally grantee boards, especially among nonprofit corporations, expect ACoA grant project directors and other grant staff to be actively involved in fundraising. ACoA grant staff are paid by the grant to provide services. The time they spend on organized fundraising cannot legally be charged to the grant.

However, it is permissible for the grantee to split a position into two or more parts to allow that position to do fundraising part of the time. For example, a grantee may assign 90% of a particular position's time to provide grant services and 10% of that same position's time to do fundraising on behalf of the board. In this example then, the grantee should show 90% of that position's cost in the grant and 10% of it outside the grant (to be paid for with fund raising dollars or other grantee agency dollars).

In most cases, simply shifting the way the fund raising and grant dollars are used can solve any difficulty a grantee may be experiencing in this area. In the example above, if fund raising dollars are directed to pay for the 10% portion of project director time spent doing fundraising instead of using grant funds for this 10%, grant funds in the same dollar amount can then be used to purchase items the fund raising money would have purchased for the grant project.

Other non-grant activities are not allowable under ACoA grants. Staff time spent on activities not necessary to provide the services of the grant may not be paid for with grant resources, nor may other grant resources be used for non-grant activities. Staff time spent on non-grant activities must be paid for with non-grant funds. This includes time spent in such activities as housing development and recreation (unless part of an approved Preventive Health Services Work Plan). Also, grantees may not use grant funds to support activities for religious purposes, either through direct or indirect cost.

Suggested Audit Procedures

- Review job descriptions and interview project director, board members, and project staff to determine whether any material amount of staff time paid for under the grant is spent doing organized fundraising or other non-grant activities, including religious activities. If so, provide guidance to prevent unallowable cost in this area.
- Determine the amount of unallowable cost for any material amount of project staff time spent doing organized fundraising or other non-grant activities.
- Review direct and indirect cost expenditures to determine whether any grant resources were used to further religious purposes and, if any, determine the amount of unallowable costs.

Criminal Background Checks of In-Home Employees

Each employee of an agency providing publicly funded home care services (homemaker, chore, personal care, home health, and similar services), including volunteer staff and Senior Employment Program participants who provide these services, must have a criminal background check done by the Department of Public Safety, pursuant to AS 12.62.035. Each grantee must adhere to this statute and pursuant regulations.

Suggested Audit Procedure

- Review records to verify that each employee performing Homemaker, Chore, and/ or other home care services has had a criminal background

check and has no record of criminal behavior relating to children or senior citizens.

Modified 5/00